



THE KENYA NATIONAL EXAMINATIONS COUNCIL

ANNUAL REPORT AND ACCOUNTS FOR THE PERIOD
ENDED 30TH JUNE 1986

The Kenya National Examinations Council
P O Box 73598
NAIROBI, Kenya.

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Chairman's Report

Chairman's Report

For the Year Ended 30th June 1986

The 1985 examination season ended in February 1986 with the release in February that year of the results for the Kenya Advanced Certificate of Education (KACE), the Kenya Junior Secondary Examinations and the November series of the Business and Technical Examinations.

The season was a success. This success was possible due to the combined efforts of many people. The Council has already conveyed its gratitude to the Office of the President for its co-operation and assistance. The Supervisors, invigilators and field officers of the Ministry of Education, Science and Technology have also been commended for their good work during the examinations. Thanks also went to the examiners who did the marking of the various papers and thus sacrificed their school vacations.

Mention must be given of the Council Secretariat staff who made it all possible. They mobilised the large number of people (over 35,000 people) who were involved in one task or another to make the examinations a success.

However, it should be noted that the preparation of the examinations starts months before the candidate receives his results. During the whole of this period the Secretariat staff worked tirelessly. For many months they worked until late at night and during the week-ends, and public holidays. The work of examinations is a strenuous one where attention to the smallest details has to be given and a sacrifice has to be made to meet the various tight deadlines. The fast pace is continuous throughout the year. Just now for, for example, the staff have to put in late hours to beat the tight deadline for producing the packing and centering lists from the registration data, and that of passing proofs for press.

1. Kenya Certificate of Primary Education (KCPE)

1.1 Introduction

A few years ago, the government embarked upon a fundamental restructuring of the education system to meet the different challenges which were likely to face the Kenya Society in the future. The change involved introducing eight years of primary

education, four years, of secondary education and four years of university education.

The primary education cycle was completed at the end of 1985 when the first standard eight pupils were assessed by the Kenya National Examinations Council. The Council developed a new examination, the Kenya Certificate of Primary Education, to evaluate the extent to which pupils had achieved the objectives of the primary curriculum. For the first time, a wide range of subjects taught in the primary school have been examined. A key emphasis in each of the question papers was on testing pupils' ability to apply their newly acquired knowledge and skills in practical everyday situations.

The 1985 KCPE examinations had six papers. These were English, Kiswahili, Mathematics, Science and Agriculture, Geography, History and Civics and Religious Education and Art, Home Science and Music. It was conducted in three days - from 19th November to 21st November 1985.

Processing of the 1985 Kenya Certificate of Primary Education was completed on 2nd January, 1986. The results were ready to be handed over to the Provincial Education Officers for onward transmission to District Education Officers and then to primary school headmasters by 7th January, 1986.

Initial predictions made early last year indicated that the results would be ready by the middle of January. This was because KCPE has double the number of papers previously examined by CPE. However, the results were released seven days ahead of schedule because the staff of the Kenya National Examinations Council worked for 13 hours a day everyday including Jamhuri, Christmas and New Year days and on quite a number of occasions worked 24-hour shifts.

The results for the first KCPE were special because they marked the successful completion of the first cycle of the 8-4-4 educational system.

The main objectives of the KCPE are to rank candidates according to attainment of skills and abilities as specified in various primary school syllabuses and to improve the learning process in primary schools by providing the schools with constant feedback on candidates' performance. In addition, the examination was used for selection of candidates into Form I. To serve these purposes, efforts were made to ensure that KCPE was relevant, efficient and equitable.

1.2 Candidature and Field Administration

In 1985, there were a total of 334,336 candidates. Out of these 333,595 were school candidates and 741 were private candidates.

As has been the case several years, there were no cases of examination leakages. There were, however, a few cases where attempts were made by teachers to give unfair assistance to some candidates during the actual examination. Stern action is being taken against those teachers who were involved in these cases.

1.3 Order of Merit

It is gratifying to note that the performance was good even in the newly introduced subjects. The following was the order of merit of the top ten districts: Nyandarua, Kirinyaga, Eldoret Municipality, Nakuru Municipality, Thika Municipality, Murang'a, Nyeri, Machakos, Embu and Kisumu Municipality.

1.4 Analysis of Results

It was clear from the results that the trend observed in 1983 CPE where the rural areas were performing as well as or better than urban areas was repeated. It can now be said that every school in the Republic has an equal chance of excelling in the primary examination.

2. Kenya Certificate of Education (KCE)

2.1 Introduction

The processing of the 1985 Kenya Certificate of Education examination

was completed and the results released on 4th February, 1986. A total of 126,198 candidates took the examination in 1985, as compared to 120,553 in 1984, representing an increase of 4.7%. The examination was taken in 1864 centres in 1985 as against 1796 centres in 1984. A total of 5,332 examiners participated in marking of the examination.

2.2 Examination Administration

It is encouraging to note, that, as has been the case for some years now, there were no cases of examination leakages in 1985. Due to the more stringent security arrangements which have been put into effect by the Council over the last 3 years, the problem of examination irregularities has been contained. There has been no increase in the number of centres where irregularities have occurred, and the number of candidates guilty of such offences has been reduced from 302 in 1984 to 198 in 1985. The cases of irregularities could be reduced further if misguided teachers and the management of some Harambee and Private schools would desist from getting involved in perpetuating cheating and impersonation in examinations. The government is being urged to take stern action against those people and institutions which corrupt the youth through misleading them into dishonest tendencies.

2.3 Analysis of Results

The summary of performance which follows indicates an upward trend as compared to the previous years.

<u>Division</u>	<u>1985</u>	<u>1984</u>
1	5747(4.55%)	4687(3.92%)
2	195531(15.48%)	15524(12.99%)
3	36184(28.67%)	31846(26.65%)
4	35285(25.96%)	37118(31.06%)
Fail	29451(23.34%)	30328(25.38%)

A total of 61462 candidates (48.70%) achieved a Division 3 or better in 1985, as against 52057 (43.56%) in 1984. There are a number of factors which can be quoted as reasons for this improvement in performance. The Harambee schools developed over the past twenty

years have stabilised considerably in terms of facilities provided by local communities and the employment of teachers. The Ministry of Education, Science and Technology is assisting these schools with trained teachers and this is starting to show results.

3. Kenya Advanced Certificate of Education Examination (KACE)

The 1985 KACE examination results were processed and the results released on 25th February 1986.

3.1 Candidates

In 1985, 19,187 candidates sat for KACE as compared to 17,204 candidates in 1984. This represents an increase of 11.5% over the 1984 candidature.

3.2 Examination Administration

The KACE examination was taken between 22nd October and 25th November 1985. As was the case for the KCE examination security during the examination period was increased, especially whenever papers were being moved from distribution centres to examination centres, and at the examination centres. The marking of candidates' scripts started on 4th December 1985 and by 3rd January 1986 most of the papers had been marked.

3.3 Analysis of Results

The table below shows the number of candidates who sat for the KACE examination in 1985 and their achievement. The 1983 and 1984 summary is shown for comparison.

	<u>1985</u>	<u>1984</u>	<u>1983</u>
3 Principals & above	3471(18.09%)	2417(14.05%)	2767(16.83%)
2 Principals	3779(19.99%)	3439(19.99%)	3004(18.28%)
1 Principal	4200(21.89%)	3882(22.56%)	3658(22.26%)
No. of candidates	19,187	17,204	16,436

REPORT OF THE AUDITOR-GENERAL (CORPORATIONS) ON THE ACCOUNTS
OF THE KENYA NATIONAL EXAMINATIONS COUNCIL FOR THE YEAR ENDED
30TH JUNE, 1986

I have examined the attached Balance Sheet and the Income and Expenditure Account of the Kenya National Examinations Council for the year ended 30th June, 1986 in accordance with Section 13 (3) of the Kenya National Examinations Council Act, (Cap 255) as amended by the Exchequer and Audit (Amendment) Act, 1985. I have obtained all the information and explanations that I have required for the purpose of my audit. Proper books of account have been kept by the Council and the accounts are in agreement therewith. Except for the matters referred to herebelow, in my opinion, the accounts, which have been prepared on the basis of the historical cost convention, when read together with the supporting notes thereon, give a fair view of the state of affairs of the Council for the year ended on 30th June, 1986 and of its excess of income over expenditure for the year ended on that date.

1. ACCURACY OF ACCOUNTS

For the period 1980/81 to 1985/86 the Council has been submitting for audit, accounts which contain numerous errors and which have had, therefore, to take a lot of time to audit and have had to be returned several times for amendments thereby causing long delays in finalizing the accounts for certification. In particular, the accounts of the Council for each of the above years were balanced through Suspense Accounts arising from Trial Balance differences. The Council has so far not been able to identify and explain the nature of those Suspense Account differences. In this regard, the Balance Sheet as at 30th June, 1986 reflects a Suspense Account debit balance of Kshs.8,428,039.30 which, as for previous years, represents a Trial Balance difference of the same amount. In the absence of any analysis of this difference, I am unable, therefore, to ascertain what the Suspense Account balance represents or even to confirm the effect, if any, that the above Trial Balance difference of Kshs.8,428,039.30 may have on the accuracy of the accounts of the Council for the the year ended 30th June, 1986.

2. SHORT TERM DEPOSITS

In the report for the year 1984/85 I expressed concern over the Council's short-term investments totalling Kshs.99,710,930.60 in two financial institutions, one of which faced serious financial problems and had as a result to close down temporarily. A review of the position in the year 1985/86 indicated that as at 30th June, 1986 short-term investments had increased to Kshs.123,485,320.95 and were still held in the two institutions one of which was, as previously reported, facing serious financial problems and had to temporarily close down for business. Although the institution has reopened for business I am, nevertheless, not able to satisfy myself of the recoverability on maturity of the investment of Kshs.56,878,392.55 held in that institution.

3. SUNDRY DEBTORS

The Balance Sheet debtors figure of Kshs.15,142,447.65 as at 30th June, 1986 still includes the amount of Kshs.300,000.00

advanced to the School Equipment Production Unit in September, 1980 to clear a practical examination package from the Customs Department. As earlier reported, the advance was to be paid back to the Council by 30th November, 1980 but was not repaid and instead was converted to a loan with effect from 1st January, 1981 repayable at an interest rate of 10% p.a. However, no signed loan agreement setting out the terms and conditions of repayment of the loan has yet been seen and the amount is still owed by the School Equipment Production Unit. In addition, it is not even understood why even after conversion to a loan, the amount is being treated in the accounts as a Sundry Debt and included in the Balance Sheet Sundry Debtors figure of Kshs.15,142,477.65. Moreover, the Council does not also seem to have recovered any interest in respect of the loan at the agreed rate of 10% p.a. or accrue the same in the accounts. I am, however, informed that the necessary adjustment will be made and the amount will be treated as a loan in the accounts for the year 1987/88.

4. OUTSTANDING IMPRESTS

As in my Report for the year 1984/85 the Council's debtors as at 30th June, 1986 still continued to include long outstanding temporary imprests, most of which had been issued to Provincial Education Officers to meet examination expenses. As at 30th June, 1986 such outstanding imprests totalled Kshs.6,698,674.00. These imprests which ought to have been surrendered by 30th June, 1986, had not been surrendered by 15th September, 1987 when a review of the position was made and by the same date, no returns had been made to show how the amounts had been spent. I am, therefore, unable to confirm that the amount of the outstanding imprests was spent for the purpose for which it was intended.

5. R.D. CHEQUES

The Balance Sheet Debtors figure of Kshs.15,142,477.65 as at 30th June, 1986 includes R.D. Cheques amounting to Kshs.1,449,520.15 as at 30th June, 1986 being revenue collection arrived at as follows:-

R.D. Cheques 1984/85	Kshs. 961,895.80
R.D. Cheques 1985/86	<u>487,644.35</u>
TOTAL	Kshs.1,449,520.15 =====

Most of these cheques have been uncollected for a considerable period of time and no effective action seems to have been taken to clear them and as a result, the cheques have become stale and can only be collected through replacements. Although recovery of these revenue cheques appears doubtful, no provision for bad and doubtful debts has been made in the accounts to cater for any possible loss in the event of any of these cheques becoming uncollectable.

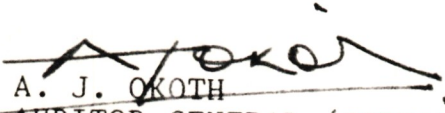
6. PAYMENT OF OVERTIME

In my report for 1984/85, I reported that the Council made overtime payments totalling Kshs.462,050.00 to its senior officers for working outside their normal working hours. The trend

continued during the year under review in that a total of Kshs.1,829,450.00 was paid for overtime worked by the Council's senior officers. As previously indicated the method used in arriving at the amount paid was not clear as the payment was made in lumpsum without any further analysis as to how the lumpsum had been calculated. Besides no approval for the payment of overtime to senior staff was produced. I am therefore, unable to confirm that the amount of Kshs.1,829,450.00 paid to these officers in 1985/86 is a proper charge to public funds.

7. FORMER EAST AFRICAN EXAMINATIONS COUNCIL

The accounts of the Council for 1985/86 like those of 1984/85 do not incorporate the value of Office Furniture and Equipment passed on to the Council at its incorporation after the breakup of the former East African Examinations Council. Accordingly, the Balance Sheet Fixed Assets figure of Kshs.4,178,137.20 as at 30th June, 1986 is understated to the extent of the value of the excluded assets. In addition, the Council did not maintain a Fixed Assets Register to record fixed assets owned by it. Accordingly, it is not possible in the absence of such a register to confirm the correctness of the fixed assets figure of Kshs.4,178,137.20 appearing in the Balance Sheet as at 30th June, 1986.


A. J. OKOTH
AUDITOR-GENERAL (CORPORATIONS)

8th June, 1988

BALANCE SHEET AS AT 30.6.1986

ASSETS EMPLOYED

NOTES

1986

1985

Fixed Assets
Short-term investments

1
2

4,178,137.20
123,485,320.95
127,663,458.15

3,665,088.25
99,710,930.60
103,376,018.85

CURRENT ASSETS

Suspense A/C - 1985/86
Sundry Debtors
Bank/Cash

3
4

8,428,039.30
15,142,477.65
4,470,412.90
28,040,929.85

-
12,580,838.60
6,991,226.20
19,572,064.80

CURRENT LIABILITIES

Suspense A/C - 1984/85
Sundry Creditors

5

11,716,952.55
4,000,000.00
15,716,952.55
12,323,977.30
139,987,435.45

11,716,952.55
4,000,000.00
15,716,952.55
3,855,112.25
107,231,130.10

TOTAL ASSETS

139,987,435.45

107,231,130.10

FINANCED BY:

Capital Reserve
Excess of Income over Expenditure

1,753,000.00
138,234,435.45
139,987,435.45

1,753,000.00
105,478,130.10
107,231,130.10

Philip M. M. B. B.

CHAIRMAN

DATE:

2nd Feb. 1988

[Signature]

SECRETARY

DATE:

13/1/88

KENYA NATIONAL EXAMINATIONS COUNCIL

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 1986

<u>INCOME</u>	<u>NOTES</u>	<u>1986</u>	<u>1985</u>
Examination fees	7	106,896,370.30	119,897,354.00
Other income	8	8,450,604.95	5,511,325.70
Grants	9	<u>88,293,408.00</u>	<u>82,641,335.00</u>
		<u>203,640,383.25</u>	<u>208,050,014.70</u>
LESS:			
EXPENDITURE			
Personnel	10	7,806,847.40	4,319,086.40
Office Administration	11	13,743,637.25	7,630,637.95
Examination Expenses	12	108,796,380.00	85,064,230.95
Test Dev. & Research	13	32,695,176.20	20,463,556.90
Housing of staff & Office Accommodation	14	7,132,061.00	4,081,087.55
Depreciation		<u>709,976.05</u>	<u>482,655.75</u>
		<u>170,884,077.90</u>	<u>122,041,255.50</u>
Excess of income over Expenditure c/f		<u>32,756,305.35</u>	<u>86,008,759.20</u>

KSHS.

KSHS.

Leasehold Buildings	2,557,574.50	1,518,627.75
Motor Vehicles	1,502,849.00	1,753,000.00
Office Equipment	918,611.00	105,478,130.10
Office Furniture	837,368.50	88,293,408.00
House Furniture	590,338.00	8,450,604.95
Accummulated Depreciation		106,896,370.30
Capital Reserve		
Income & Expenditure		
Grants from Ministry of Education		
Other Income		
Examination fees		
Short-term investments	123,485,320.95	
Sundry Debtors	8,766,477.65	
Suspense A/C - 84/85		
Sundry Creditors		11,716,952.55
Examination expenses	108,796,380.00	4,000,000.00
Housing of Staff & Office Accommodation	7,132,061.00	
Personnel expenses	7,806,847.40	
Administration & office expenses	13,743,637.25	
Test Development & Research	32,695,176.20	
Bank	4,456,591.80	
Cash in Hand	13,821.10	
Suspense A/C	<u>14,804,039.30</u>	
	<u>328,107,093.65</u>	<u>328,107,093.65</u>

FIXED ASSETS SCHEDULE
AS AT 30TH JUNE, 1986

	Leasehold Buildings Kshs.	Motor vehicles Kshs.	Office Equipment Kshs.	Office Furniture Kshs.	House Furniture Kshs.	Total Kshs.
Balance b/wd 1.7.85	2,557,574.50	853,000.00	647,046.00	535,756.50	590,338.00	5,183,715
Additions/Disposals	-	649,849.00	271,565.00	301,612.00	-	1,223,026
	2,557,574.50	1,502,849.00	918,611.00	837,368.50	590,338.00	6,406,741
Accumulated Depreciation as at 1.7.85	246,376.05	479,833.00	113,064.80	285,773.65	393,580.25	1,519,627
Depreciation for the year	63,939.35	375,712.25	91,861.10	104,671.10	73,795.25	709,976
Accumulated Depreciation as at 30.6.86	310,315.40	855,545.25	204,925.90	390,444.75	467,372.00	2,228,603
Net Book Value 1.7.85	2,311,198.45	373,167.00	533,981.20	249,982.80	196,757.75	3,665,087
Net Book Value 30.6.86	2,247,259.10	647,303.75	713,685.10	446,923.75	122,965.50	4,178,137
Rate of Depreciation	2½%	25%	10%	12½%	12½%	

NOTE 2

Short-term investments

Trans National finance Co. Ltd
Jimba Credit Corporation Ltd

66,606,928.40
56,878,392.55
123,485,320.95

KSHS.

NOTE 3

Suspense A/C

Balance bd. 1st July, 1985 cr
Suspense A/C for the year 1985/1986 Dr
Suspense A/C cfwd 30th June 1986 Cr

11,716,952.55
8,428,039.30
3,288,913.25

NOTE 4

Debtors

Interest receivable
Ministry of Education
Kenya Polytechnic
Temporary imprest
Rd. cheques
Salary Advance
K.S.E.S.
Staff Motor Loan - schedule attached

4,856,903.65
1,462,996.10
153,460.00
6,698,673.75
1,449,520.15
41,370.00
300,000.00
179,554.00
15,142,477.65

Creditors (This amount represents Kenya's deposit to the defunct East African Examinations Council

Suspense A/C - 1984/85

4,000,000.00
11,716,952.55

NOTE 6

Income and Expenditure A/C

Balance b/wd 1st July, 1985

Surplus for the year

105,478,130.10
32,756,306.35
138,234,435.45

NOTE 7

Examination Fees

K.C.P.E.

P.T.E.

K.C.E.

K.A.C.E.

L.G.C.E.

Technical

Business

10,082,412.80
2,345.00
76,898,254.25
18,972,778.25
601,301.00
172,015.00
167,264.00
106,896,370.30

NOTE 8

Other Income

Rent

Interest on Fixed Deposits

Sale of Publications

Miscellaneous Income

25,600.00
6,885,220.95
3,770.00
1,536,014.00
8,450,604.95

NOTE 10Personnel Expenses

Personal Emoluments	4,768,529.00
Extra-Clerical assistance	2,128,080.00
Medical	480,716.00
Retirement Benefits	9,630.00
Contribution to FSSU	<u>419,892.40</u>
	<u>7,086,847.40</u>

NOTE 11Office Administration Expenses

Security	270,493.35
Stationery	1,572,951.35
Transport Operating Expenses	1,195,683.45
Official Entertainment	14,900.00
Training - overseas	46,450.00
Training - local	9,763.10
Travelling and Accommodation	447,253.05
Sundry Expenses	81,342.45
Cleaning Materials	3,830.00
Rank Xerox paper	803,358.10
Hire & Maintenance of Rank Xerox	30,266.25
Electricity & Water	50,764.70
Advertising	245,011.00
Post and Telegrams	141,593.45
Telephone	743,076.60

Maintenance of Equipment	522,345.20
Bank Charges	212,040.80
Passage & Leave Expenses	137,794.50
Rates - Bellevue plot	6,066.00
Council Travel & Subsistence	214,804.60
Computer Rental and Maintenance	2,893,377.10
Air -conditioner maintenance	144,930.00
Computer Stationery	3,807,981.00
Stand-by Engineers	<u>61,381.00</u>
	<u>13,743,637.25</u>

NOTE 12

Examination Expenses

K.C.P.E.	12,924,111.30
K.J.S.E.	1,843,295.05
K.C.E.	60,320,436.90
K.A.C.E.	6,548,102.45
Technical	3,606,090.05
Business	1,675,529.90
L.G.C.E.	1,489,045.05
Supervision & Invigilation	16,734,586.65
Hire of Halls	346,480.00
P.T.E.	2,227,875.80
Seminars & conferences	1,136,199.35
Writers' course	<u>44,628.50</u>
	<u>108,796,380.00</u>

Test and Development

Setting	1,807,210.30
Printing & Publication	25,716,958.55
Moderation	959,304.00
Committee Expenses	1,939,952.50
Panel Expenses	<u>2,272,450.85</u>
	<u>32,695,176.20</u>

NOTE 14

Housing of staff and Office Accommodation

House Rent and House Allowance	3,736,357.90
Repairs to Council Houses	1,097,622.10
Rent and Rates Office Accommodation	<u>2,298,081.10</u>
	<u>7,132,061.10</u>

1. Accuracy of Accounts

Up to November 1986 the Council's accounts for the years 1982/83, 1983/84, 1984/85 and 1985/86 had not been written. The reason for this was that the Council had an unqualified Ag. Chief Accountant who was unable to balance the books and in spite of Council efforts to hire qualified personnel brought pressure on the Council through certain quarters so that the Council could not achieve its objective. This former Ag. Chief Accountant also exerted similar pressure to continue his tenure in the office.

The Annual Accounts for the four years were written within one year after October 1986 when the Council finally succeeded in sacking the former Ag. Chief Accountant and hired a team of qualified accounts personnel. The Suspense Accounts for the years 1980/81 to 1984/85 have all been included in the respective certificates of each year. These same amounts have again been listed in the audited accounts for the 1985/86 financial year. Considering the accounts for all these years were being written at the same time listing the suspense account in each year's report may suggest that the Council has not done anything to correct the previous accounting mistakes which had plagued it. The Council also feels uncomfortable with these Suspense Accounts and everything is being done to analyse them and allocate the amounts accordingly. We have analysed some of the figures already and the exercise is continuing.

2. Short-term Deposits

In our letter Ref. No. KNEC/FA/88/65 dated 24.2.88 which was in reply to one from the Auditor General Corporations dated 16th February, 1988 we did explain that up to the time the Council invested the money in the financial institution in question, the firm was found to be secure, had very good records and competitive rates of interest. The Government has already intervened in the management of this financial institution in order to ensure that depositors will be paid back their money.

3. Sundry Debtors

In our letter Ref. No. KNEC/FA/88/64 dated 24th February, 1988 which was

in reply to one from the Auditor General Corporations Ref. KNEC/89/16 dated 16th February, 1988, we did explain the action the Council has taken to have the matter settled once and for all. We are still awaiting a reply to our letter.

As regards its treatment in the accounts action has already been taken and in the Accounts for 1987/88 the amount will be treated as a loan and necessary adjustments made.

4. Outstanding Imprest

As explained in the Draft Report for the year 1983/84 the issue of imprests owed by the Provincial Education Officers was referred to the Finance and General Purposes Committee of the Council and it was resolved that the matter be referred to the Ministry of Education. The position has not changed. The Council will continue following up payment of these imprests through the Ministry of Education.

5. R.D. Cheques

The Council has not instituted better methods of receiving revenue, to the extent that we only accept Bankers Cheques from all institutions including District Treasuries.

The drawers of the R.D. cheques are being reminded to make good the amounts. Furthermore, a R.D. cheques register is now operational.

6. Revenue Collections

The amount of revenue collected differs from the amount entered in the main cash-book mainly because of direct bankings done during registration of private candidates being entered for various examinations by our field agents.

While the main cash-book used to be adjusted with the mail transfer deposit slip, no corresponding adjustment was made to the revenue cash-book. These monthly unadjusted differences make up the commulative total of the said difference termed here as "Over-banking".

As stated previously these were the result of Accounting problems the Council faced prior to November 1986. The Council has already taken corrective measures in this area and has been making monthly adjustments of the two books.

7. Payment of Overtime

The Finance and General Purposes Committee which is the Executive Committee of the Council reviewed the rates for payment of honorarium to officers of Job Group 'H' and above vide Minute No. 10/86. Hitherto such honorarium was based on the approved rate of 20 cents per script which was approved in 1976. The amount paid in this regard was therefore a proper charge to public funds.

8. Former East African Examinations Council

The Council has embarked on an exercise of collecting all the necessary information to write-up the Fixed Assets register. Discussions have now been held with the Office of the Auditor General (Corporations) to find the best way of writing up the register and at what value to include the individual assets. An Administrative Officer has been recruited whose schedule of duties includes the maintenance of the fixed assets register.

The Assets passed on to the Council at its incorporation after the break-up of the former East African Examinations Council will be included in future accounts after the following have been done:-

- i. Proper identification;
- ii. Valuation.

It is worth noting that since the headquarters of the former E.A.E.C. was in Kampala, Uganda, the Council does not have the relevant documents on these assets and has therefore had to take the course of action stated above.

